

MINUTES OF MEETING NORTH SPRINGS IMPROVEMENT DISTRICT

The regular meeting of the Board of Supervisors of the North Springs Improvement District was held Wednesday, July 7, 2010 at 4:59 p.m. in the district office, 10300 N. W. 11 Manor, Coral Springs, Florida.

Present and constituting a quorum were:

Steve Mendelson	President
David Gray	Secretary
Vincent Morretti	Assistant Secretary

Also present were:

Doug Hyche	District Manager
Dennis Lyles	District Counsel
Jane Early	District Engineer
Brenda Schurz	Administrator
Rod Colon	Director of Operations
Nick Schooley	Drainage Supervisor
Kay Woodward	Accountant
Dan Daly	CSID Director of Operations
Joe Sabino	HBC Clubhouse Manager
Barbara Brewin	United Community Management
Donna Holiday	GMS-South Florida, LLC
Jarod Moskowitz	AshBritt, Inc.
Greg Franks	WCI Communities, Inc.
Craig Vaughan	Heron Bay Resident/Castle Mgmt.
Marie Schnal	Castle Group
Karen Mazurek	Heron Bay Resident
Rita Hoelsing	Heron Bay Resident
Susan Feinberg	Heron Bay Resident

FIRST ORDER OF BUSINESS

Roll Call

Mr. Hyche called the meeting to order at 4:59 p.m.

SECOND ORDER OF BUSINESS

Approval of the Minutes of the June 2, 2010 Meeting

Mr. Hyche stated the next item is approval of the minutes of the June 2, 2010 meeting. On page 2 under the motion to set the public hearing it says, July 6th and that should be, July 7th.

Mr. Lyles stated on page 6 under the attorney's report, line 2, it indicates that the legislation expanding our boundaries takes in about 100% of the Wedge property and that should be about 50%.

On MOTION by Mr. Mendelson seconded by Mr. Gray with all in favor the minutes of the June 2, 2010 meeting were approved as amended.

THIRD ORDER OF BUSINESS

Public Hearing to Consider the Adoption of the Proposed General Fund, Heron Bay Commons, Parkland Isles, Heron Bay Mitigation and Debt Service Budgets for Fiscal Year 2011

A. Consideration of Resolution 2010-10 Adoption of General Fund and Debt Service Budgets for Fiscal Year 2011

Mr. Hyche stated item three is opening of the public hearing to consider the adoption of the proposed general fund, Heron Bay Commons, Parkland Isles, Heron Bay Mitigation and Debt Service budgets for fiscal year 2011. Are there any questions from the public?

Ms. Mazurek stated I am a Heron Bay resident. I went to a meeting of the Heron Bay Homeowners Association last week at which they gave the management of the Plaza del Lago building to Castle and they specifically told me that the Heron Bay Association has nothing to do with the Commons. My question to this committee is, who is managing the Commons and what are your plans for the future?

Mr. Hyche stated we are continuing under United Management on a month to month basis until staff can review options, possibly put it out for a request for proposals from other management companies and bring it up to the board for their consideration.

Ms. Mazurek stated I have a very specific question. This budget for the Commons and your contract with United is it a monthly fixed price contract? You said you are going month to month and I don't know how much you are paying them month to month to manage it.

Mr. Hyche stated usually they send us a month to month invoice for their management services under the terms of their budget which is broken down into a 12 month period and that is how we will pay them.

Ms. Mazurek asked do they have a one month contract?

Mr. Colon responded no they have a month to month contract. Right now they are getting paid under the terms of the previous contract for those fees. It is a simple one page contract we have with them that can be terminated at any time. Obviously, we needed someone to run the clubhouse until the district made a decision as to who they wanted to run the clubhouse.

Ms. Mazurek asked what is this budget approving?

Mr. Colon responded we have to approve a budget, someone has to mow the lawn, someone has to clean the pool.

Ms. Mazurek asked so this has nothing to do with the management?

Mr. Colon responded yes it has something to do with the management but we will probably do a budget amendment later on once we do have a management company in there. Remember the management company is a very small portion of the budget. You have electricity you have to pay.

Ms. Mazurek stated I understand it is a line item. As a resident I am asking the board to confirm that it is a fixed price contract with the management company. As a resident we pay a tennis pro for lessons. As a resident we pay in our tax bill for the

mowing of the lawns and management company. When you do a fixed price contract with the management company I don't believe it should assume any revenue coming in from the pros because that revenue is being paid by the residents. I would like to see that money that is being collected by the pros, which is our dollars, not go into the hands of the management company but to specifically come back into the community with various programs and a tracking of those funds. I sense the stability here of long term is not yet determined but eventually we need long term stability in the management of this community and that being the Commons. I personally don't understand how one community has two management companies and the inefficiencies are rampant. The homeowners association went with Castle. I don't know what your plans are but if it is a fixed price contract with the management company it is imperative that a management company respect the residents' usage first as well as respect that the revenues generated from the residents stay there, not go back to that management company because that is exactly what is happening now.

Mr. Colon stated right now we are talking about the budget itself. Before you go on I want to state that we have yet to work out the terms for the new contract. The best thing to do is put your concerns in writing and address it to district staff because we haven't issued a contract to a new management company yet. You are asking a lot of good questions and making a lot of good statements but for us to do this properly, put your concerns in writing so when we do put it out for request for proposals and negotiate the contract if it is to the benefit of the residents we can take your concerns into consideration.

Ms. Mazurek stated I appreciate it because I think what we would like to hear from this committee is that the residents can have a voice in the process of awarding that contract.

Mr. Colon responded of course. Ultimately this is your clubhouse and we are doing this for the benefit of the community.

Ms. Mazurek stated I am very glad to hear that and I hope to be a part of that process. Thank you.

Mr. Gray stated I would like to address the concept of efficiencies. I can tell you that it wasn't efficient previously even though we were trying to do that. I can tell you that we had a representative last time before we renewed the agreement four or five months ago sit here and make a large number of promises and comments that were not true and did not come true. That will be one of the considerations but that will not be the only consideration because we are going to base it on the management company and the price and not just efficiencies. It is not efficient to us if we are paying more for a feature and the association is paying something less. That is not efficient to us. It may be efficient to a homeowner but we have to go by what is efficient to the NSID.

Ms. Mazurek stated just understand respectfully that the homeowners define efficiency by the bottom line cost savings. No one in the Heron Bay Association meeting could articulate that. I asked the question specifically and very directly, bottom line, did the cost benefit analysis say what was the household savings and I got nothing, not one number.

Mr. Gray stated that is one of the problems we had in previous meetings with the people we were dealing with at that time. We are taking it upon ourselves to make that decision. I happen to live in Heron Bay as well so I'm very familiar with the club, I use the club and I have a vested interest but having said that we do recognize that there were some issues trying to blend it previously.

Ms. Mazurek stated the lack of articulation behind that management decision in that meeting was insulting.

Mr. Gray stated as were previous decisions they made. That is why we are doing it the way we are doing it.

Ms. Mazurek stated we would like a voice in the new management contract. Thank you.

Mr. Hyche closed the public hearing at this time and stated next is Resolution 2010-10 adoption of general fund and debt service budgets for fiscal year 2011.

On MOTION by Mr. Mendelson seconded by Mr. Gray with all in favor Resolution 2010-10 was approved.

B. Consideration of Resolution 2010-11 Levy of Non Ad Valorem Assessments

Mr. Hyche stated Item B is consideration of Resolution 2010-11 levy of non ad valorem assessments.

Mr. Gray stated maybe it is a misunderstanding on my part but it is not filled in.

Ms. Schurz stated the numbers that will go in the blanks are the numbers from the general fund budget.

Mr. Gray asked shouldn't they be included in the resolution?

Mr. Hyche stated you have to adopt the budget before we put the numbers in the resolution.

Mr. Gray stated but we knew what we were going to adopt so right now we are adopting something that is not filled in. Can we actually do that?

Mr. Lyles responded I think the reason why your package is prepared the way it is, is that subject to for instance the comment earlier today by members of the public regarding the Heron Bay Commons budget that any of these numbers are susceptible of being changed at this public hearing. Staff has typically prepared the form of the resolution and if any of the numbers are to be changed from the proposed budget numbers that were previously submitted to you and you approved previously by resolution then those would be filled in. Otherwise the numbers are exactly as presented to you when you adopted the proposed budget and the document remains

the same as of today and just for ease of administration they don't type it up until you actually take action at the public hearing.

Mr. Gray asked so the numbers in Resolution 2010-11 are assumed from the previous resolution we just voted on?

Mr. Lyles stated that is correct. They will migrate from the budget you just adopted directly and without any modification into this final document that the president will sign and before he signs it of course it will be fully filled in.

On MOTION by Mr. Gray seconded by Mr. Mendelson with all in favor Resolution 2010-11 was approved.

FOURTH ORDER OF BUSINESS

**Distribution of the Proposed Water and
Sewer Budget for Fiscal Year 2011 and
Consideration of Resolution 2010-12
Approving the Proposed Budget and
Setting the Public Hearing**

Mr. Hyche stated item four is distribution of proposed water and sewer budget for fiscal year 2011 and consideration of Resolution 2010-12 approving the proposed budget and setting the public hearing.

On MOTION by Mr. Gray seconded by Mr. Mendelson with all in favor Resolution 2010-12 was approved.

Mr. Hyche stated we set the public hearing date for the next board meeting, which is August 4, 2010.

FIFTH ORDER OF BUSINESS

**Appointment of Audit Selection
Committee**

Mr. Hyche stated the next item is a formation of an audit selection committee. Every three years according to statute we have to form a committee and set the criteria and go out for an RFQ for auditing firms to complete an audit for the district.

Mr. Lyles stated this is a process that this board because we had a contract in place with an auditor for a number of years you haven't gone through this process before but essentially every local government agency has to go through an audit selection process now periodically and it is similar to a CCNA consultant negotiation act process. The first step is to designate an audit selection committee and that committee will adopt criteria and weighting to be assigned to different criteria and get proposals from qualified auditing firms that will be ranked and then the contract will be negotiated and the price will be determined at that time. Some boards designate themselves as the audit selection committee and some boards designate a group of top staff, the manager for instance and people at that level to serve as the committee to establish the criteria and do the work and present the recommendation to the board. The final decision no matter how the selection committee is formed rests with the board. That is totally up to you and there is even one that is a hybrid of mostly staff and somebody from the board sits with the staff. It is a little tougher when the board sits as the selection committee because they have to be noticed as a selection committee meeting even to discuss the criteria and it is often done at a meeting such as this one and put on the agenda and handled that way. You have a lot of flexibility in how you want to do that. The first decision is do you want to do it with the staff serving as the selection committee and making a recommendation or do you want to designate yourselves as the board or some hybrid of the two?

Mr. Gray stated personally I would rather have staff be designated as the audit committee.

Mr. Lyles asked who would you like to sit on the committee form the staff?

Mr. Hyche stated my opinion would be it would be myself, Rod and Brenda.

Mr. Lyles stated all you need is a motion to appoint those three staff members as the audit selection committee for NSID.

On MOTION by Mr. Mendelson seconded by Mr. Morretti with all in favor Mr. Hyche, Mr. Colon and Ms. Schurz were appointed to be the audit selection committee.

SIXTH ORDER OF BUSINESS

Staff Reports

A. Manager

Consideration of Contract for Disaster Debris Recovery Services

Mr. Hyche stated the next item is consideration of a contract for disaster debris recovery services.

Mr. Moskowitz stated I am the director of government relations for AshBritt Environmental. AshBritt is a national turnkey, rapid response, disaster management company. We are one of the largest in the country. We were founded in 1992, we are located in Pompano Beach and the owner lives in the City of Parkland. We have been a part of over 100 federally declared, federally funded disasters. Most notably we were the sole company to do the cleanup in the State of Mississippi after Hurricane Katrina, which was the largest disaster cleanup on U.S. soil and also the largest contract ever given out by the federal government to the Army Corps of Engineers. At the same time we were doing the Katrina cleanup we were also doing cleanups here in Florida after Wilma. AshBritt has the most prepositioned contracts in the State of Florida out of any disaster management company. You are slightly different than a municipality in that you are mostly interested in debris removal and canal clearing but we are a full turnkey so that means hypothetically if you needed more resources you could come to us for ice, water, power generation, pumping out floodwaters, mold remediation, document restoration, whatever potentially the district could need you could come to AshBritt, a

one stop shop. The most important thing in this business is to make sure you get your FEMA funding, your FEMA reimbursement. We have 100% track records as far as getting our clients FEMA reimbursement and we look forward to doing that. Upon approval we will get with your staff and show them our electronic system so there is no more paperwork trying to figure out what documents need to be filled out, everything that is done is loaded electronically onto the system so that your staff has access 24 hours a day, FEMA has access 24 hours a day and it is backed up for a period of five to ten years. We will probably ride along with your staff to get more familiar with the district so we know exactly what resources and infrastructure you are concerned about. If you have any specific questions I am more than happy to answer them.

Mr. Gray stated when I read through it there was a list of attachments in the back that included the cost itemization. There is an acceptance form that we have to send to you after an event.

Mr. Moskowitz stated there is a form to activate our contract. There has to be a form saying that you are going to activate the contract.

Mr. Gray stated there is a minimum set of items once it was activated, a minimum amount of work.

Mr. Moskowitz stated you are doing a piggyback to the City of Pompano Beach and those minimums really wouldn't apply to you, they would apply to the City of Pompano Beach, which is far larger. If the City of Pompano Beach wanted to activate our contract because four trees fell down we would tell them to do that in-house it wouldn't make sense to bring in the equipment. That is what the minimums are for.

Mr. Gray stated then since we are piggybacking that contract that doesn't apply to us.

Mr. Moskowitz stated I am happy to state on the record that that doesn't apply to you.

Mr. Gray stated on page 37 of 42 (a) says a minimum level of service commitment. You are saying that minimum level of service commitment would not apply to our contract?

Mr. Moskowitz responded no and I understand your concern. If we only have 1,000 trees down are you telling us you are not going to come service us. Absolutely, unequivocally not, in fact right now Hurricane Alex which hit the bottom of Texas, in Hidalgo County, they had no debris, they only had flood issues so they only wanted to activate the flood portion of the contract and they were able to do that. We brought in pumper trucks and were pumping out water without doing any debris work. I would disregard that.

Mr. Gray stated okay, it is attached to their contract but because we are a smaller attachment it doesn't apply to us. We are on an as needed, as used basis.

Mr. Colon stated we had another presentation from another company last month, Hunter & Associates and it turned out that it wasn't in our best benefit to get our recommendation but we are recommending Mr. Moskowitz' company based on the contract they have with Pompano Beach. It suits our needs of what we would actually need and from my discussions with Dennis he said that we can piggyback off of the contract and would not have to go out to competitive bid.

Mr. Lyles stated most importantly we would be in a position to have FEMA and other reimbursements by piggybacking Pompano Beach's contract and using AshBritt through this vehicle.

Mr. Mendelson stated it makes it easier for the district.

Mr. Gray stated I like the idea of piggybacking. You do offer a lot.

On MOTION by Mr. Gray seconded by Mr. Mendelson with all in favor using the Pompano Beach contract with AshBritt, Inc. as a piggyback local government entity for disaster recovery services was approved.

Review of Bid Documents for Management Services of Heron Bay Commons

Mr. Hyche stated the next item is review of the bid documents for management services of Heron Bay Commons. This is just a draft.

Mr. Gray stated I wanted to have irrigation more directly identified, although it is obviously included when you say everything but we have had issues with them in the past. The other thing had to do with lighting because we have also had issues with the lighting in the past so I want them to know that is a direct concern. The only other thing I looked into on the weekend there is mention in here of the lifeguard for the pool and most associations including the one that is currently there really don't use a lifeguard with the exception of a special occasion people are supposed to provide one for that occasion. In reading it, it implies that they would be bidding to have one. Is that correct?

Mr. Colon stated we can amend it.

Discussion of Financial Disclosure Report from the Commission on Ethics

Mr. Hyche stated the next item is discussion of financial disclosure report. We can pull this out since I understand that everybody has gotten their financial disclosures in at this time.

B. Attorney

There not being any, the next item followed.

C. Engineer

Project(s) Status Report

Ms. Early stated included in the packet is our project status report. One item that came in yesterday was a request for an easement encroachment. I reviewed it and spoke with staff and apparently Mr. Schooley had gone to the site. There is an existing 20 foot lake maintenance easement in Heron Bay and the homeowner wants to encroach 5 feet into that easement. Typically the district is against that but there are occasions that we would enter into an encroachment agreement. Mr. Schooley feels that the 15 feet remaining is adequate to access the lake. If the board wants to approve it we need to have the typical stipulations about egress in the event we would have to remove that fence for any reason it would be at the homeowner's cost.

Mr. Schooley stated many times you don't have a 15 foot easement, 20 feet is a lot and in this situation there are two lakes and somebody in the past has already done that on the north lake and these people knew it. I have no problem with that whatsoever.

On MOTION by Mr. Mendelson seconded by Mr. Gray with all in favor an encroachment agreement for a 5 foot encroachment for a fence at 7177 N. W. 122nd Avenue was approved.

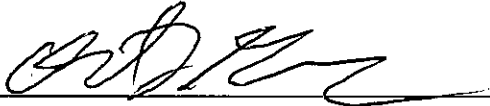
SEVENTH ORDER OF BUSINESS

**Approval of Financials and Check
Registers**

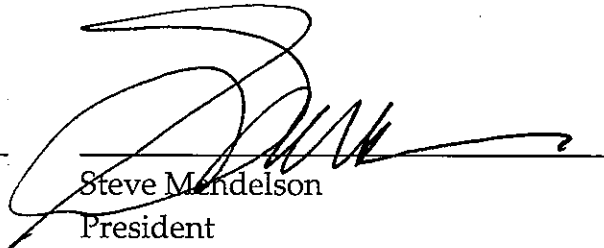
Mr. Hyche stated the next item is approval of the financials and check registers.

On MOTION by Mr. Gray seconded by Mr. Mendelson with all in favor the check register was approved.

On MOTION by Mr. Mendelson seconded by Mr. Gray with
all in favor the meeting adjourned at 5:29 p.m.



David Gray
Secretary



Steve Mendelson
President